## UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF VIRGINIA Alexandria Division

In re:	)	
NG GROUP, LLC,	) Case	e No. 17-11562-BFK
	,	oter 11
	)	
Debtor.	)	

## **ORDER IMPOSING SANCTIONS**

On June 20, 2017, the Court held a hearing on the Court's Order to Show Cause as to why the Court should not impose sanctions against Patrick R. Blasz, Esquire for failure to comply with the requirements for filing of the Chapter 11 bankruptcy petition. Docket No. 2. Patrick R. Blasz, Esquire and Joseph A. Guzinski, Esquire, Counsel for the U.S. Trustee appeared in person.

In the Court's Order to Show Cause, dated May 10, 2017, the Court noted the following deficiencies:

- The Voluntary Petition was not signed by the Debtor.
- No Statement of Divisional Venue was filed with the Petition.
- The Petition was not accompanied by a List of the Debtor's 20 Largest Unsecured
  Creditors, a Corporate Resolution authorizing the filing, and a Corporate Ownership
  Statement.
- No Schedules or Statement of Affairs have been filed and no request for an extension of time has been filed.
- Creditors have not been uploaded to CM/ECF.

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After the initial Show Cause hearing held on May 31, 2017 and through the date of the continued hearing on June 20, 2017, Mr. Blasz did not cure any of the deficiencies, except for the filing of the Order of Designation (Docket No. 38, dated 6/8/2017).

The Court finds that the filing of the petition in this case without a wet signature was not due to inadvertence; rather, Mr. Blasz was aware of that Najla Ayash was the 100% owner of NG Group, LLC, but chose to file the petition without her signature as required by the Rules of this Court. The Court also finds that Mr. Blasz did not exercise the proper diligence by failing to remedy the remaining deficiencies described above. Further, this is the third time that Mr. Blasz is before this Court on an Order to Show Cause Why Sanctions Should Not Be Imposed, where the Court has twice before imposed sanctions. Case No. 15-13948-BFK, Docket No. 82 (suspending Mr. Blasz with this Court for 120 days and mandating 4 hours of CLEs); Case No. 14-10474-BFK, Docket No. 64 (suspending Mr. Blasz with this Court for 2 months). For these reasons and those stated on the record at the hearing, it is

## **ORDERED:**

- 1. Mr. Blasz shall be suspended from all filing privileges with this Court (all four Divisions) for a period of 180 days from the entry of this Order.
- 2. Mr. Blasz shall complete not less than eight (8) hours of bankruptcy training approved by the Mandatory Continuing Legal Education (MCLE) Department. Two (2) of the required eight (8) hours must consist of bankruptcy-focused professional ethics.
- 3. Mr. Blasz's privilege to file cases in this Court may be reinstated after a period of 180 days from the entry of this Order; provided, however, Mr. Blasz must first certify to this Court that he has completed the required eight hours of professional continuing legal education, including at least two hours of bankruptcy-focused ethics.

- 4. All of Mr. Blasz's professional fees in this case will be disallowed. Mr. Blasz is ordered to pay the balance of the retainer in the approximate amount of \$3,200.00 to the Chapter 7 Trustee when this case is converted. Return of the filing fee is not required.
- 5. Mr. Blasz is advised that he may appeal this Order by filing a Notice of Appeal within fourteen (14) days from the entry of this Order.
- 6. The Clerk will mail a copy of this order, or give electronic notice of its entry, to the parties listed below.

Date: Jun 29 2017

/s/ Brian F. Kenney

Alexandria, Virginia

Brian F. Kenney United States Bankruptcy Judge

Copies to:

Entered on Docket: 7/3/2017

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